

## Headquarter Treasury Sales

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# Daily Report – Romania

Date: 1.04.2014

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6,359.05	↑ 0.56	↑ 1.77
BET-C	3,214.83	↑ 0.41	↑ 1.33
BET-FI	28,897.69	↓ -0.13	↑ 0.84
BET-XT	579.22	↑ 0.47	↑ 1.03
FP	0.8240	↓ -0.72	↑ 4.37
TLV	1.7300	↑ 0.29	↑ 1.23
SNG	33.2200	↑ 0.67	↑ 0.12
TGN	194.5000	↓ -0.26	↑ 0.10
SIF3	0.5180	↓ -0.86	↓ -0.40

**GOV'T BOND MARKET**

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	2.56	↑ 2.0	↑ 2.9
12 month	2.86	↑ 3.5	↑ 4.2
3 year	4.24	↑ 3.5	↑ 4.6
5 year	4.62	↑ 1.5	↓ -7.5
10 year	5.28	↑ 0.5	↓ -6.0

**GOV'T BOND AUCTIONS**

Maturity	Auctions	Sold

**MONEY MARKET**

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.44	↑ 20.0	↑ 30.0
3M ROBOR	2.96	↓ -1.0	↓ -1.0
6M ROBOR	3.33	⇒ 0.0	↓ -5.0
1Y ROBOR	3.36	↓ -2.0	↓ -6.0
5Y CDS	154.43	↑ 0.0	↓ -2

**FX MARKET**

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4632	↑ 0.04	↓ -0.12
USD/RON	3.2362	↓ -0.12	↓ -0.25
CHF/RON	3.6632	↑ 0.02	↓ -0.56
100HUF/RON	1.45	↑ 0.10	↓ -0.53

Source: Reuters, OTP Research

**Summary**

- BET gained 0.6% yesterday and it is higher by 1.8% on a weekly basis; in Europe, the risk on sentiment is fuelled by expectations of ECB easing measures; investors look hopeful to US non-farm payrolls data on Friday too
- Money market rates up to 1M climbed yesterday, triggering a spike in government securities yields as well
- February retail sales data shows that household consumption is improving; the index climbed 8.7% YoY (gross) and 1.3% MoM (seasonally adjusted).

Domestic stock indexes finished mixed yesterday but BET added 0.6% on the day and 1.8% on a weekly basis. Total equities' turnover stood at EUR 6.7 mn and close to half was made by 11 deals. In Europe, major indexes also finished up an, continuing the risk on move ignited by hopes that the ECB will proceed to more easing measures. Also, the macroeconomic data released yesterday showed the German unemployment falling to 6.7%, whereas estimates pointed to stagnation to 6.8% in March. The US ISM manufacturing survey for March was lower than expectations, but higher than the previous month and US construction spending turned out to add to the positive sentiment, as the figure was higher than expected (February). Investors are yet to see the ECB decision tomorrow and the US non-farm payrolls (March) on Friday and this will keep spirits up at the moment.

Government securities yield inched up yesterday, especially at the low end of the curve as short term money market rates up to 1M were seen climbing: ROBOR 1W added 15 bps on the 1M rate climbed 12 bps.

Retail sales data for February were encouraging and shows that households' demand continues to strengthen. Sales rose by 8.7% YoY (gross) and by 1.3% MoM (seasonally adjusted). The annual jump was supported by all three subcategories and especially by the non-food group which gained 13.1% YoY. The second release for February was the producer price index. PPI continued to sink at an annual pace of 1.2% YoY after sliding 0.6% YoY in the previous month. It looks like prices on the internal market also started to adjust downward this year but the contraction is stronger on the external component (-1.6% YoY vs. domestic market with -1% YoY).

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday	March	FX reserves (bn EUR)	31.3	31.7
Wednesday	Feb	Retail trade turnover index (y-o-y, %)	8.7	5.3
	Feb	Producer Price Index (YoY, %)	-1.2	-0.6

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		31.03.2014					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	7.4064	↑ 0.12	↓ -5.37	↑ 5.69		
OTP Obligatiuni	RON	13.2156	↑ 0.03	↑ 1.04	↑ 5.53		
OTP ComodisRO	RON	15.9378	↑ 0.06	↑ 0.97	↑ 5.12		
OTP Eurobond	EUR	11.7120	↑ 0.05	↑ 0.71	↑ 3.91		
OTP Dollar Bond	USD	10.0392	↑ 0.01	↑ 0.40	n.a.		

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